

Regular Session, 2012

SENATE BILL NO. 233

BY SENATOR GARY SMITH

INSURANCE POLICIES. Provides for use of a parish address as the major geographic factor in writing automobile insurance. (8/1/12)

AN ACT

To enact R.S. 22:1486, relative to automobile insurance; to provide for premiums charged on insurance policies; to provide for the use of the insured's parish of residence in formulating a schedule of premiums in certain circumstances; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 22:1486 is hereby enacted to read as follows:

§1486. Determination of automobile insurance policy rates

Premiums charged for automobile insurance may not be unreasonable in relation to the benefits provided, the risk experience, and the reasonable expenses of providing the coverage; however, to the extent that any schedule of premium rates for such insurance for individual risks is based in whole or in part on geographical location, the insured's parish of residence shall be utilized as a factor given greater weight than any other method for partitioning the state into geographic subdivisions.

The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Laura Gail Sullivan.

DIGEST

Gary Smith (SB 233)

Present law provisions of the Louisiana Insurance Code provide generally for rate-making procedures and the determination of policy premiums for automobile insurance.

Proposed law provides that to the extent a schedule of premium rates for individual automobile insurance is based on geographical location, the parish in which the insured resides shall be utilized as a factor given greater weight than any other method for partitioning the state into geographic subdivisions.

Effective August 1, 2012.

(Adds R.S. 22:1486)